A

Tramontina S/A Cutelaria v Giant Ace Sdn Bhd

B HIGH COURT (KUALA LUMPUR) — CIVIL SUIT NO WA-22IP-57–08 OF 2019
MOHD RADZI HARUN J
31 JULY 2021

C *Civil Procedure — Summary judgment — Triable issues — Infringement of registered trademark and passing off — Whether defendant raised triable issues — Whether plaintiff proved case against defendant — Whether application ought to be allowed — Rules of Court 2012 O 14*

D

Trade Marks — Infringement of trademark — Trademark and passing off — Whether defendant had infringed plaintiff's trademarks — Whether product was identical and would likely cause confusion — Whether elements of passing off was established — Whether goodwill and reputation established — Whether E *there was misrepresentation by defendant — Whether plaintiff suffered damage — Trade Marks Act 1976 s 38*

This was the plaintiff's application ('encl 43') for the injunctive and declaratory orders sought in the main suit to be granted summarily under O 14 of the Rules F of Court 2012 ('the ROC'). The plaintiff was the registered proprietor of numerous trademarks in Malaysia including a trademark bearing Registration No 904393160 in Class 8 that was deposited at the Branding, Industrial Designs and Geographical Indications Board, Brazil. The plaintiff had received information that the defendant had been selling and distributing knives and G cutlery bearing the plaintiff's registered trademarks and marks which were confusingly similar to the plaintiff's registered trademarks ('defendant's infringing products') at the defendant's chain of hardware stores. The plaintiff thus made a trap purchase and alleged that the defendant's infringing products: (a) bore marks which were identical and/or confusingly similar to the plaintiffs H registered trademarks such as 'TRAMONTINA', 'TRAMONT INA', 'TRAWONTINA', 'TRAMWTA' and 'TRAM WAT'; (b) were affixed with a label bearing the plaintiffs name — 'TRAMONTINA SA CUTELARIA', including the plaintiffs address; (c) were marked with 'Made in Brazil'; and (d) were affixed with a barcode sticker stating the goods as 'TRAMONTINA I Brazil Knife'. The plaintiff prayed for injunctive and declaratory orders against the defendant to be granted summarily under O 14 of the ROC, citing the defendant's unmeritorious and the absence of bona fide defences against the plaintiff's claims and that there were no issues to be tried as its main grounds of the application. The plaintiff argued that it had provided sufficient evidence to

prove that the defendant had been selling and distributing knives and cutlery bearing the plaintiff's registered trademarks and marks which were confusingly similar to the plaintiff's registered trademarks, thereby proving its case against the defendant for trademark infringement. Consequentially, the plaintiff argued that it had also succeeded in proving its case against the defendant for the tort of passing off. The defendant, on the other hand, argued that the plaintiff's application should be dismissed on the grounds that the defendants had raised triable issues that required a full trial to determine, amongst others: (i) the proprietariness of the trap purchase; (ii) the similarities and differences of the characteristics of the plaintiff's products and the alleged defendant's infringing product; and (iii) the difference in the nature of the plaintiff's and the defendant's business.

Held, allowing the plaintiff's application:

(1) In terms of visual comparison, the plaintiff's mark was longer than the defendant's, and the outstanding 'MON' was not present in the defendant's mark. However, having carried out physical and visual viewing and examination of the defendant's infringing machete and comparing it with the plaintiff's machete, the learned judge found that the defendant's infringing machete had the traits and characteristics, and physical, material and corporeal outlook which were almost similar with those of the plaintiff's machete. The handle colour, design and shape of the handle for both items were also almost similar. Having compared the marks as a whole, in particular taking into account the look, distinguishing and essential features, and the nature of the goods and the customers that would purchase the plaintiff's products and the defendant's infringing products, the court was satisfied that the plaintiff had successfully proven that the marks as found on the defendant's infringing products and the defendant's infringing machete were identical with or so nearly resembling the plaintiff's registered trademarks and marks and would likely cause confusion. As the plaintiff's case was premised on s 38 of the Trade Marks Act 1976 ('the TMA 1976'), the plaintiff had fulfilled the requisite ingredients to establish that that the defendant had infringed the plaintiff's trademarks (see paras 25, 27 & 29–30).

(2) The court did not accept the defendant's contention that the plaintiff had no goodwill in Malaysia. The law did not require the existence of a physical store, signs or advertisements as a prerequisite of one's goodwill. On the contrary, the plaintiff had provided evidence by way of receipts to show transactions in Malaysia involving the plaintiff's products within a span of nine years, and the use of the plaintiff's trademarks and its other marks in Malaysia. The plaintiff had thus proved that it had acquired goodwill and reputation in Malaysia in respect of its trademarks (see para 33).

(3) The plaintiff had established the defendant's conduct of falsely representing the plaintiff's trademarks and marks as the defendant's trademarks. The misrepresentation by the defendant was implied in its use of the plaintiff's trademarks and mark. The blatant use of the plaintiff's address on the defendant's infringing machete in itself tantamount to misrepresentation, as this led the public or consumers to believe the machetes offered by the defendant were of the plaintiff's. Having found that the defendant had committed the act of infringement, the court further concluded that the plaintiff had suffered damage. The plaintiff did not need to prove actual damage, but it was sufficient to show that it had suffered probable damage (see paras 34–35).

(4) The plaintiff had established a prima facie case as its statement of claim had been served on the defendant, the defendant had entered its appearance, and the affidavit in support of the application complied with the requirements of O 14 r 2 of the ROC 2012. The issues raised by the defendant based on its affidavit comprised assertion, denial and dispute which lacked in precision, was inconsistent with undisputed contemporary documents, and was inherently improbable in itself. The issues raised by the defendant did not fall squarely within the meaning of triable issues and were bare assertions not supported by any evidence. The defendant had not raised any issue which merited a trial (see paras 40 & 43–44).

(5) In the circumstances, the plaintiff had fulfilled the legal thresholds to prove trademark infringement and the tort of passing off, and the plaintiff had also satisfied the court that it had fully complied with the laws and requirements governing an O 14 application. The plaintiff had, on the balance of probabilities, successfully proven its case and claims against the defendant. It would be just for the court to make a final determination of the plaintiff's claims without a full trial (see para 45).

[Bahasa Malaysia summary

Ini adalah permohonan plaintif ('lampiran 43') untuk perintah injunksi dan deklarasi yang dimohon dalam tindakan utama diberikan secara terus di bawah A 14 Kaedah-Kaedah Mahkamah 2012 ('KKM'). Plaintif adalah pemilik berdaftar pelbagai tanda dagangan di Malaysia termasuk tanda dagangan yang memegang No Pendaftaran 904393160 dalam Kelas 8 yang disimpan di Branding, Industrial Designs and Geographical Indications Board, Brazil. Plaintif telah menerima maklumat bahawa defendan telah menjual dan mengedarkan pisau dan kutleri yang mengandungi tanda dagangan dan tanda berdaftar plaintif yang secara mengelirukan serupa dengan tanda dagangan berdaftar plaintif ('produk pelanggaran defendan') di rangkaian kedai perkakasan defendan. Oleh itu, plaintif membuat pembelian perangkap dan mendakwa bahawa produk pelanggaran defendan: (a) mempunyai tanda yang sama dan/atau mengelirukan serupa dengan tanda dagangan berdaftar plaintif

seperti 'TRAMONTINA', 'TRAMONT INA', 'TRAWONTINA', 'TRAMWTA ' dan 'TRAM WAT'; (b) telah dilekatkan dengan label yang mengandungi nama plaintif — 'TRAMONTINA SA CUTELARIA', termasuk alamat plaintif; (c) ditanda dengan 'Buatan Brazil'; dan (d) telah dilekatkan dengan pelekat kod bar yang menyatakan barang tersebut sebagai 'TRAMONTINA Brazil Knife'. Plaintif memohon perintah injunksi dan deklarasi terhadap defendan diberikan secara terus di bawah A 14 KKM, dengan menyatakan bahawa defendan tidak mempunyai pembelaan bermerit dan bona fide terhadap tuntutan plaintif dan bahawa tiada isu untuk dibicarakan sebagai alasan utama permohonan tersebut. Plaintif berpendapat bahawa ia telah memberikan keterangan yang mencukupi untuk membuktikan bahawa defendan telah menjual dan mengedarkan pisau dan kutleri yang mengandungi tanda dagangan dan tanda berdaftar plaintif yang mengelirukan serupa dengan tanda dagangan berdaftar plaintif, dengan itu membuktikan kesnya terhadap defendan kerana pelanggaran cap dagangan. Lanjutan itu, plaintif berpendapat bahawa ia juga telah berjaya membuktikan kesnya terhadap defendan untuk tort kelirupaan. Defendan, sebaliknya, berpendapat bahawa permohonan plaintif harus ditolak atas alasan defendan telah membangkitkan isu yang boleh dibicarakan yang memerlukan perbicaraan penuh untuk ditentukan, antara lain: (i) kepunyaan pembelian perangkap; (ii) persamaan dan perbezaan ciri-ciri produk plaintif dan produk pelanggaran defendan yang didakwa; dan (iii) perbezaan dalam sifat perniagaan plaintif dan defendan.

Diputuskan, membenarkan permohonan plaintif:

(1) Dari segi perbandingan visual, tanda plaintif lebih panjang daripada defendan, dan perkataan 'MON' tidak terdapat dalam tanda defendan. Walau bagaimanapun, setelah menjalankan pemerhatian fizikal dan visual serta pemeriksaan parang pelanggaran defendan dan membandingkannya dengan parang plaintif, hakim yang bijaksana mendapati parang pelanggaran defendan mempunyai sifat dan ciri-ciri, dan pandangan fizikal, material dan rupa yang hampir serupa. dengan parang plaintif. Warna pemegang, reka bentuk dan bentuk pemegang untuk kedua-dua barang tersebut juga hampir serupa. Setelah membandingkan barang dagangan secara keseluruhan, khususnya mengambil kira rupa, ciri yang membezakan dan penting, dan sifat barang dan pelanggan yang akan membeli produk plaintif dan produk pelanggaran defendan, mahkamah berpuas hati bahawa plaintif telah berjaya membuktikan bahawa tanda-tanda seperti yang terdapat pada produk pelanggaran defendan dan parang pelanggaran defendan adalah sama atau lebih hampir menyerupai tanda dagangan dan tanda berdaftar plaintif dan mungkin akan menyebabkan kekeliruan. Memandangkan kes plaintif berdasarkan kepada s 38 Akta Cap Dagangan 1976 ('ACD 1976'), plaintif telah memenuhi keperluan yang diperlukan untuk

membuktikan bahawa defendan telah melanggar tanda dagangan plaintif (lihat perenggan 25, 27 & 29– 30).

(2) Mahkamah tidak menerima pendapat defendan bahawa plaintif tidak mempunyai nama baik di Malaysia. Undang-undang tidak memerlukan kewujudan kedai secara fizikal, papan tanda atau iklan sebagai prasyarat nama baik seseorang. Sebaliknya, plaintif telah memberikan keterangan melalui bukti untuk menunjukkan transaksi di Malaysia yang melibatkan produk plaintif dalam tempoh sembilan tahun, dan penggunaan tanda dagangan plaintif dan tanda lain di Malaysia. Oleh itu, plaintif telah membuktikan bahawa ia telah memperolehi nama baik dan reputasi di Malaysia berkenaan dengan tanda dagangannya (lihat perenggan 33).

(3) Plaintif telah membuktikan kelakuan defendan yang secara salah mewakili tanda dagangan dan tanda plaintif sebagai tanda dagangan defendan. Salah nyata oleh defendan secara zahirnya dalam penggunaan tanda dagangan dan tanda plaintif. Penggunaan secara terang-terangan alamat plaintif pada parang pelanggaran defendan tersebut sendiri sama dengan salah nyata, kerana ini menyebabkan orang ramai atau pengguna percaya parang yang ditawarkan oleh defendan adalah milik plaintif. Setelah mendapati defendan telah melakukan perbuatan pelanggaran tersebut, mahkamah seterusnya membuat kesimpulan bahawa plaintif telah mengalami kerugian. Plaintif tidak perlu membuktikan kerugian sebenar, tetapi ia sudah memadai untuk menunjukkan bahawa ia telah mengalami kemungkinan kerugian (lihat perenggan 34–35).

(4) Plaintif telah menubuhkan kes prima facie kerana pernyataan tuntutannya telah disampaikan kepada defendan, defendan telah memasukkan kehadirannya, dan afidavit menyokong permohonan tersebut mematuhi keperluan A 14 k 2 KKM 2012. Isu-isu yang dibangkitkan oleh defendan berdasarkan afidavitnya terdiri daripada penegasan, penafian dan pertikaian yang kurang ketepatan, tidak konsisten dengan dokumen kontemporari yang tidak dipertikaikan, dan sememangnya mustahil dengan sendirinya. Isu yang dibangkitkan oleh defendan tidak termasuk dengan tepat dalam maksud isu yang boleh dibicarakan dan merupakan penegasan kosong yang tidak disokong oleh sebarang keterangan. Defendan tidak membangkitkan sebarang isu yang harus dibicarakan (lihat perenggan 40 & 43–44).

(5) Dalam keadaan tersebut, plaintif telah memenuhi ambang undang-undang untuk membuktikan pelanggaran tanda dagangan dan tort kelirupaan, dan plaintif juga telah membuktikan kepada mahkamah bahawa ia telah mematuhi sepenuhnya undang-undang dan keperluan berkenaan permohonan A 14. Plaintif telah, atas imbangan kebarangkalian, berjaya membuktikan kes dan tuntutannya terhadap defendan. Ia adalah wajar untuk mahkamah membuat dapatan

muktamad terhadap tuntutan plaintif tanpa perbicaraan penuh (lihat perenggan 45).]

Cases referred to

Acushnet Company v Metro Gold Manufacturing Sdn Bhd [2006] MLJU 412; [2006] 7 CLJ 557, HC (refd)

Abercrombie & Fitch Co & Anor v Fashion Factory Outlet KL Sdn Bhd & Ors [2008] 4 MLJ 127, HC (refd)

Bank Negara Malaysia v Mohd Ismail & Ors [1992] 1 MLJ 400; [1992] 2 CLJ Rep 186; [1992] 1 CLJ 653, SC (folld)

Cempaka Finance Bhd v Ho Lai Ying (trading as KH Trading) & Anor [2006] 2 MLJ 685; [2006] 3 CLJ 544, FC (refd)

Erven Warnink BV and Another v J Townend & Sons (Hull) Ltd and Another [1980] RPC 31, HL (refd)

Fabrique Ebel Societe Anonyme v Syarikat Perniagaan Tukang Jam City Port & Ors [1988] 1 MLJ 188; [1989] 1 CLJ Rep 537 (refd)

Gillette UK Limited And Anr v Edenwest Limited [1994] RPC 279, Ch D (refd)

Goodyear Tire & Rubber Co & Anor v Silverstone Tire & Rubber Co Sdn Bhd [1994] 1 MLJ 348; [1993] 2 AMR 3538, HC (refd)

HP Bulmer Ltd and Showerings Ltd v J Bollinger SA and Champagne Lanson Pere Et Fils [1978] RPC 79, CA (refd)

Chen Heng Ping & Ors v Intradagang Merchant Bankers (M) Bhd [1995] 2 MLJ 363, CA (refd)

Consitex SA v TCL Marketing Sdn Bhd [2008] 3 MLJ 574; [2008] 5 AMR 250, HC (refd)

Danone Biscuits Manufacturing (M) Sdn Bhd (formerly known as Britania Brands (M) Sdn Bhd) v Hwa Tai Industries Bhd [2010] 8 MLJ 500; [2010] 4 CLJ 711, HC (refd)

Fisher v Bell [1960] 3 WLR 919, QBD (refd)

Jasmine Food Corp Sdn Bhd v Leong Wai Choon & Anor [2016] 11 MLJ 812, HC (refd)

Low Chi Yong v Low Chi Hong & Anor [2017] MLJU 1704, FC (refd)

Mutiara Rini Sdn Bhd v The Corum View Hotel Sdn Bhd (previously known as The Curve Hotel Sdn Bhd) [2016] 7 MLJ 771, HC (refd)

National Company for Foreign Trade v Kayu Raya Sdn Bhd [1984] 2 MLJ 300; [1984] 1 CLJ Rep 283; [1984] 2 CLJ 220, FC (folld)

Pharmaceutical Society of Great Britain v Boots Cash Chemists (Southern) Ltd [1953] 1 QB 401, CA (refd)

Reckitt and Colman Products Ltd v Borden Inc and others [1990] 1 All ER 873, HL (refd)

Renofac Builder (M) Sdn Bhd v Chase Perdana Berhad [2000] MLJU 752, HC (refd)

Syarikat Wing Heong Meat Product Sdn Bhd v Wing Heong Food Industries Sdn Bhd & Ors [2010] 7 MLJ 504; [2010] 7 AMR 357, HC (refd)

Syarikat Zamani Hj Tamin Sdn Bhd & Anor v Yong Sze Fun & Anor [2006] 5 MLJ 262, HC (refd)
Tohtonku Sdn Bhd v Superace (M) Sdn Bhd [1992] 2 MLJ 63, SC (refd)
Yong Sze Fun & Anor (t/a Perindustrian Makanan & Minuman Layang-Layang) v Syarikat Zamani Hj Tamin Sdn Bhd & Anor [2012] 1 MLJ 585, CA (refd)

Legislation referred to

Rules of Court 2012 O 14, O 14 rr 2, 3
Trade Marks Act 1976 (repealed by Trademarks Act 2019) s 38, 38(1)(a)
Trademarks Act 2019 s 167(2)

Cindy Goh Joo Seong (Heidi Lim Ai Yuen with her) (Chooi & Company + Cheang & Ariff) for the plaintiff.
Kalearasu a/l K Veloo (Sarah Chan with her) (SF Chan & Co) for the defendant.

Mohd Radzi Harun J:

INTRODUCTION

[1] In one of those rare instances, this vourt has allowed the plaintiff's O 14 application. Aggrieved, the defendant filed this appeal. Below are my grounds in coming to such decision.

BACKGROUND

[2] In encl 43, the plaintiff prayed for the injunctive and declaratory orders it is seeking in its main suit against the defendant to be granted summarily under O 14 of the Rules of Court 2012 ('the ROC'), citing the defendant's unmeritorious and the absence of bona fide defences against the plaintiff's claims and that there exist no issues to be tried as its main grounds of the application. The plaintiff argued that it had provided sufficient evidence to proof that the defendant had sold and offered for sale products bearing the plaintiff's registered trademarks and plaintiff's marks which are confusingly similar to the plaintiff's registered trademarks and plaintiff's other marks, thereby proving its case against the defendant for trademark infringement. Consequentially, the plaintiff argued that it had also succeeded in proving its case against the defendant for the tort of passing off.

The plaintiff's case

[3] The plaintiff is a company incorporated by Valentin Tramontina, of which the plaintiff is named after, in 1911 under the laws of Brazil and has its business address also in Brazil. It produces about 18,000 products ranging from home products to industrial products, which include kitchen utensils, home

gardening tools, furniture and industrial tools, marketed in over 120 countries including Malaysia.

[4] The plaintiff is the registered proprietor of numerous trademarks in Malaysia as enumerated in Table A below:

TABLE A: Plaintiff's registered trademarks in Malaysia

Trademark	Registration No	Class	Registration date	Expiry date
TRAMONTINA	2011018847	8	25 October 2011	25 October 2021
TRAMONTINA	2011018845	11	25 October 2011	25 October 2021
TRAMONTINA	2011018844	20	25 October 2011	25 October 2021
TRAMONTINA	2011018842	21	25 October 2011	25 October 2021
TRAMONTINA	08016259	8	14 August 2009	14 August 20028

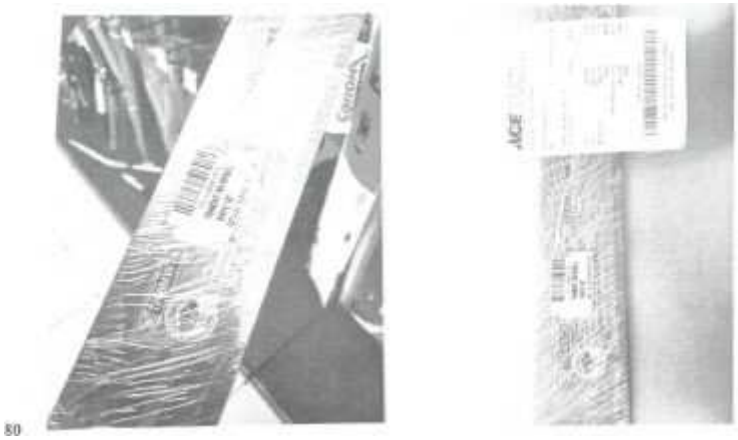
[5] The plaintiff is also the registered owner of a trademark bearing registration No 904393160 in Class 8 that was deposited at the Branding, Industrial Designs and Geographical Indications Board, Brazil, effective for the duration of 10 March 2017–10 March 2027 as below:

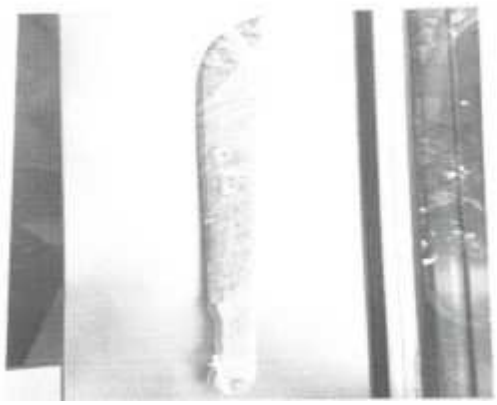
[6] In its affidavit in support of this application dated 8 December 2020

deposed by Guilherme Debiasi, Executive Director of the plaintiff, the plaintiff exhibited in exhs GD4 and GD5 copies of invoices issued to buyers in Malaysia for numerous dates within the period of 2011–2020 as proof that not only its products had been widely sold to the Malaysian consumers, but its products had enjoyed substantial goodwill to the extent that the Malaysian public has associated those products with the plaintiff.

[7] The plaintiff had received information that the defendant has been selling and distributing knives and cutlery bearing the plaintiff's registered trademarks and marks which are confusingly similar to the plaintiff's registered trademarks ('defendant's infringing products') at the defendant's chain of hardware stores. Following that, a trap purchase was done by the plaintiff on 23 May 2019 at one of the defendant's store.

[8] The defendant's infringing products that were obtained through the trap purchase and the receipt of that purchase were exhibited as GD6 at pp 48–50 of the plaintiff's affidavit as reproduced below:





[9] The plaintiff further averred that the defendant's infringing products:

(a) bear marks which are identical and/or confusingly similar to the plaintiff's registered trademarks such as 'TRAMONTINA', 'TRAMONT INA', 'TRAWONTINA', TRAMWTA' and 'TRAMWAT';

(b) are affixed with a label bearing the plaintiff's name — 'TRAMONTINA SA CUTELARIA', including the plaintiff's address;

(c) are marked with 'Made in Brazil'; and

(d) are affixed with barcode sticker stating the goods as 'TRAMONTINA Brazil Knife'.

[10] The receipt issued by the defendant during the trap purchase described the defendant's infringing machete as TRAMONT INA Brazil Knife 18 exhibited in GD6 at p 49, as shown In blue arrow below:

The defendant's case

[11] The defendant carries out a chain of well-known hardware stores known as 'Ace Hardware', trading over 20,000 types of household items and goods which were sourced or purchased from its agents, whom on their own would be responsible on any issues pertaining to the intellectual proprietorship of those items and goods. Any machetes sold at the defendant's premises are the

types and kinds that could be obtained at any other stores throughout Malaysia. A

[12] The defendant averred that the machetes sold at the its premises do not bear names similar to the plaintiffs products. While the defendant admitted that it sells machetes bearing the name/mark 'TRAWMTA', it is the defendant's averment and pleading that the said name/mark is not identical and/or not confusingly similar to the plaintiff's registered trademarks. The defendant further averred that it does sell any of the plaintiff's products, nor any product bearing the mark 'TRAWONTINA' at any of its stores, it is the defendant's averment that it does not have any knowledge about products with the trademark 'TRAWONTINA' until it was served with the current suit by the plaintiff. B C

[13] The defendant pleaded that being a well-known hardware chain stores, it has a reputation to be maintained and a such it will never commit any act of trademark infringement or passing off against the plaintiff's products, or against any other products belonging to any other persons. Having such a reputation, there is no necessity and no reason for the defendant to ride on the plaintiff's reputation, as alleged by the plaintiff. D E

[14] It is the defendant's averment that if the plaintiff's machetes bearing the TRAMONTINA trademark is a well-known brand/mark, no consumer or purchaser would be confused with the machetes bearing the mark 'TRAWMTA' that are being sold at the defendant's stores, as both are dissimilar products and bear totally different names. F

[15] The defendant has been selling the machetes bearing the mark 'TRAWMTA' without any knowledge of them having passed off as the plaintiff's machetes and infringed the plaintiff's trademark. Thus, it had immediately ceased the sale of the alleged defendant's infringing products at its stores upon having received the plaintiff's suit. G

[16] Relying on *Fisher v Bell* [1960] 3 WLR 919, the defendant argued that as its business is a self-serving supermarket without any advertisement or inducement by itself or its staff or agents to prospective buyers to purchase the plaintiff's products, the display of the plaintiffs products at its premises was not an offer of sale but an invitation to treat. Further, the plaintiff's trap purchaser was the one who was making an offer and the acceptance was by the defendant's cashier at the counter: *Pharmaceutical Society of Great Britain v Boots Cash Chemists (Southern) Ltd* [1953] 1 QB 401. It follows, therefore that the plaintiff's application for summary judgement cannot be allowed as the defendant must be given an opportunity to cross-examine the plaintiff's trap purchaser at a full trial. H I

[17] The defendant argued that this court cannot allow the plaintiff's summary judgement application as it had shown the following triable issues that must be determined by this court at a full trial:

(a) the proprietariness of the trap purchase, including whether it was actually been carried out, if so whether it was actually carried on the date alleged by the plaintiff, the manner as to how the plaintiff obtained the receipt as shown in exh GD6 that was alleged to have been issued by the defendant during the trap purchase, which include the possibility of it being a forged receipt;

(b) the similarities and differences of the characteristics of the plaintiff's products and the alleged defendant's infringing product;

(c) the difference in the nature of the plaintiff's and the defendant's business;

(d) the defendant is not the plaintiff's competitor hence no reason for the defendant's alleged act of passing off and infringement;

(e) the plaintiff's summary judgment application was premised on a trap purchase by a third party, who could have forged the receipt and wrongly presented in evidence before this court as the defendant's case of passing off and infringement stemmed from a person's thought process when making decision to purchase the defendant's infringing machete, which must be established by the plaintiff at a trial that would enable the defendant to defeat the evidence through cross-examination;

(f) damages to be awarded to the plaintiff can only be proven at a trial; and

(g) the receipt issued by the defendant when the defendant's infringing items were purchased by the plaintiff which contained the words/marks 'TRAMONTINA Brazil Knife' was based on the supplier's bar label. Those words that appeared on the receipt was as provided by the supplier, and thus this supplier must be called to give evidence at a trial.

FINDING

Preliminary objection

[18] The defendant registered a preliminary objection to the plaintiff's application premised on the plaintiff's delay as the application was filed more than a year after the filing of its writ, and it was filed after this court having set down dates for trial of the main action.

[19] In response, the plaintiff sets out the chronological event that occurred between the time it filed the writ to the time it filed this application. In essence, between 4 September 2019 (one week after the filing of the writ) to 18 September 2020 (two months prior to the filing of this application) both

parties were engrossed with multiple amendments to their respective pleadings, apart from the closures of the legal services due to the Movement Control Order that took place from 17 March 2020. This court had fixed trial dates on the request of the plaintiff's counsel, cautious on the possibility of its current application being dismissed.

[20] Upon perusal of this court's notes of proceedings, it was further found that during a case management on 22 October 2020, the plaintiff's counsel had informed the court in the presence of the defendant's counse! That despite proceeding to file the documents in preparation of a full trial, the plaintiff would file a summary judgement application, which was filed only on 8 December 2020.

[21] This Court took cognizance of the Covid-10 pandemic situation at that point of time and that the plaintiff is a company situated in Brazil. The plaintiff's affidavit in support of the application was only able to be filed some two weeks after the application was filed as the deponent was in Singapore and needed to go through the requisite notarial certification, which was obtained before the notary public in Singapore on 8 December 2020, the day when encl 43 was filed. The affidavit in support was filed on 17 December 2020.

[22] Having considered all the circumstances above, this court decided to overrule the defendant's preliminary objection.

The plaintiff's action is under the Trade Marks Act 1976

[23] It is the plaintiff's case that as the act of the alleged infringement by the defendant was committed before the new Trademarks Act 2019 came into force on 27 December 2019, the provisions of the old Trade Marks Act 1976, particularly s 38, applies. This court agrees with this proposition as such is clearly the legislative intent of s 167(2) of the Trademarks Act 2019.

Trademark infringement

[24] The plaintiff had provided proof that it is the registered proprietor of the various trademarks as enumerated in para 4 above, with the production of the copies of the trademark registration certificates by the relevant authorities in Malaysia and Brazil in exhs GD2 and GD3 respectively of the plaintiff's affidavit in support of its application herein.

[25] This court accepts the defendant's evidence and admission that it sells machetes bearing the mark 'TRAWMTA'. This court further accepts i the defendant's evidence that the said 'TRAWMTA' does not resemble and is not identical to the plaintiff's 'TRAMONTINA' trademark. In terms of visual

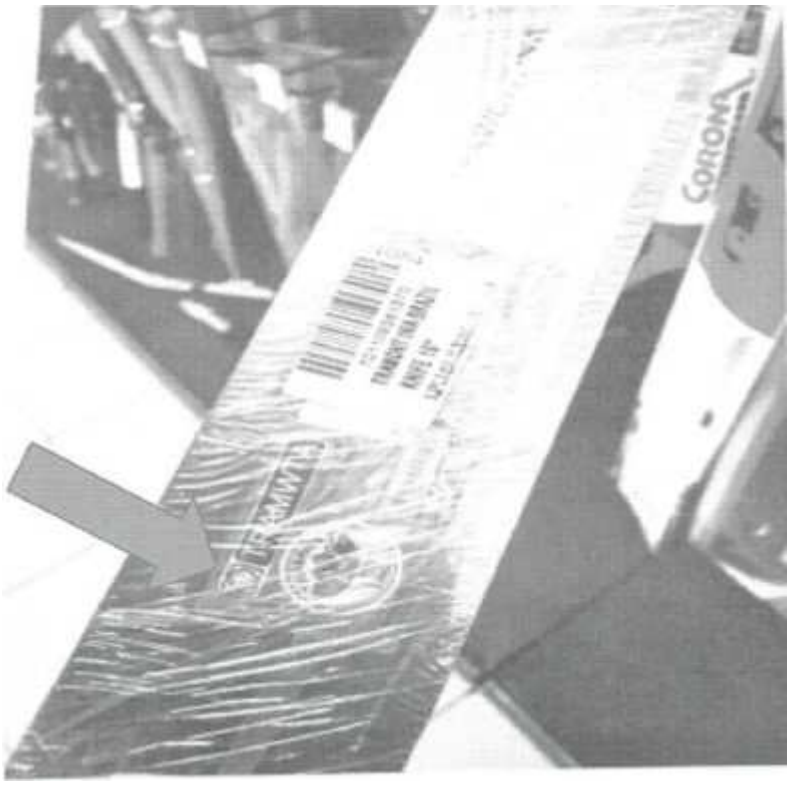
comparison, the plaintiff's mark is longer than the defendant's, and the outstanding 'MON' is not present in the defendant's mark. This court found the marks differed aurally (see: *Consitex SA v TCL Marketing Sdn Bhd* [2008] 3 MLJ 574; [2008] 5 AMR 250).

[26] On this court's instruction during the hearing of the application, the plaintiff provided this court for its examination, viewing and scrutinisation one item that formed part of the defendant's infringing product, namely a machete ('defendant's infringing machete'). For purposes of comparison, a machete which physically matched the defendant's infringing machete that was produced by the plaintiff was also provided for this court's examination and viewing.

[27] Having carried out physical and visual viewing and examination of the defendant's infringing machete and comparing it with the plaintiff's machete, my first finding was that the defendant's infringing machete has the traits and characteristics, and physical, material and corporeal outlook which are almost similar with those of the plaintiff's machete. I found particularly the colour, design and dimension of both items are almost similar. The handle colour, design and shape of the handle for both items are also almost similar.

[28] My second, and more important, findings comprise the following:

(a) although the word 'TRAMWTA' appearing in the largest font on the defendant's infringing machete, which purports to be the brand name of the said machete, there is another mark which appears on the immediate left of that word 'TRAMWTA', as shown in blue arrow in the picture below:

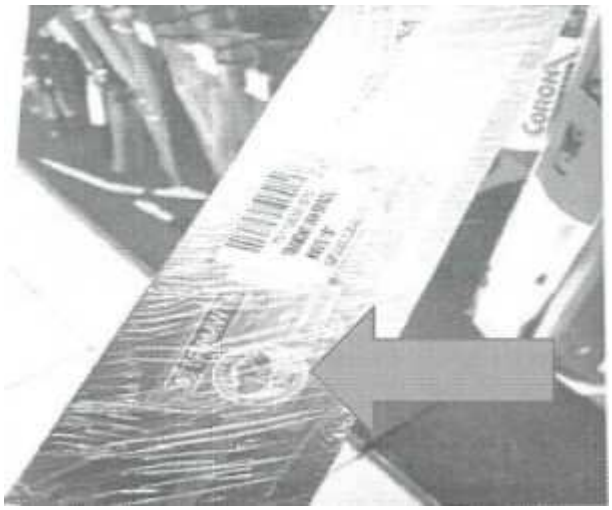


That mark as shown in blue arrow above consist the mark

which I found to be identical to a part of the plaintiff's trademark No 08016259 as shown below:

The defendant had raised in its affidavit that the said trademark No 08016259 is not registered in the plaintiff's name but one Redman Hardware Sdn Bhd. In its affidavit in reply the plaintiff admitted that this trademark was originally registered in Redman Hardware's name but had since been assigned to the plaintiff. This is evident when the plaintiffs name appeared as the applicant for the extension period of this trademark (see exh GD7 to the plaintiff's affidavit in encl 47 at p 14). This court accepted the plaintiff's evidence;

(b) below the word 'TRAMWTA' is a mark as shown in the blue arrow below:



That mark is almost similar with the plaintiff's trademark bearing registration no. 904393160 in Class 8 that was deposited at the Branding, Industrial Designs and Geographical Indications Board, Brazil, as below:

(c) the marks 'TRAWONTINA', 'TRAMONTINA', the phrase 'LAMINA EM AGO CARBONO, CARBON STEEL BLADE, TRAMONTINA S.A. CUTELARIA', and a sticker bearing the complete address of the plaintiff are all appearing on various parts of the main body of the defendant's infringing machete; and

(d) on the plastic sheet that wrapped the defendant's infringing machete, I found a bar code white sticker with the words 'TRAMONT INA BRAZIL KNIFE 18' These details correspond with the details found on the receipt obtained by the plaintiff during the trap purchase of the defendant's infringing machete as exhibited in GD6, as shown earlier.

[29] Having compared the marks as a whole, in particular taking into account the look, distinguishing and essential features, and the nature of the goods and the customers that would purchase the plaintiff's products and the defendant's infringing products, I am satisfied that the plaintiff had successfully proven that the marks as found on the defendant's infringing products and the defendant's infringing machete are identical with or so nearly resembling the plaintiff's registered trademarks and marks and would likely cause confusion (see: *Tohtonku Sdn Bhd v Superace (M) Sdn Bhd* [1992] 2 MLJ 63, *Consitex SA v TCL Marketing Sdn Bhd*).

[30] This court concluded that as the plaintiff's case is premised on s 38 of the TMA 1976, the plaintiff had fulfilled the requisite ingredients to establish that the defendant had infringed the plaintiff's trademarks as laid down in para 38(1)(a) of the TMA 1976 as follows:

(a) the defendant used a mark identical with or so nearly resembling the plaintiff's trade mark as it is likely to deceive or cause confusion;

(b) the defendant is not the registered proprietor nor the registered user of the trade mark used on the defendant's infringing products;

(c) the defendant was using the offending trade mark in the course of trade;

(d) the defendant was using the offending trade mark in relation to goods or services within the scope of the registration of the plaintiff's trademarks; and

(e) the defendant used the offending mark in such a manner as to render the use likely to be taken as being use as a trade mark or as importing a reference to the plaintiff who is the registered proprietor of the trademarks and user of the other marks found on the said defendant's infringing products, or to the plaintiff's goods or services.

(See: *Fabrique Ebel Societe Anonyme v Syarikat Perniagaan Tukang Jam City Port & Ors* [1988] 1 MLJ 188; [1989] 1 CLJ Rep 537; *Syarikat Wing Heong Meat*

Product Sdn Bhd v Wing Heong Food Industries Sdn Bhd & Ors [2010] 7 MLJ 504; [2010] 7 AMR 357; *Low Chi Yong v Low Chi Hong & Anor* [2017] MLJU 1704.)

Passing off

[31] In the celebrated decision of the House of Lords of *Erven Warnink BV and Another v J Townend & Sons (Hull) Ltd and Another* [1980] RPC 31, Lord Diplock spelt out the five elements of passing off action in the following sequence:

(a) misrepresentation;

(b) made by a trader in the course of a trade;

(c) to prospective customers of his or ultimate consumers of goods or services supplied by him;

(d) which is calculated to injure the business or goodwill of another trader; and

(e) which causes actual damage to a business or goodwill of the trader whom the action is brought.

[32] Lord Diplock's formulation was endorsed in a subsequent decision of the House of Lords of *Reckitt and Colman Products Ltd v Borden Inc and others* [1990] 1 All ER 873, where those five elements were paraphrased and reduced to three key elements namely goodwill, misrepresentation and damage (see: Tay Pek San, *Intellectual Property Law in Malaysia* (Sweet & Maxwell Asia, 2013)). The above principle has been followed and applied with approval in a plethora of decisions by Malaysian Court (see: *Goodyear Tire & Rubber Co & Anor v Silverstone Tire & Rubber Co Sdn Bhd* [1994] 1 MLJ 348; [1993] 2 AMR 3538, *Danone Biscuits Manufacturing (M) Sdn Bhd (formerly known as Britania Brands (M) Sdn Bhd) v Hwa Tai Industries Bhd* [2010] 8 MLJ 500; [2010] 4 CLJ 711).

[33] The defendant argued that thus far the plaintiff had only showed that the plaintiff's products had acquired reputation and goodwill in Brazil. As the plaintiff has no physical store in Malaysia, without any signs and advertisements of the plaintiff's products in Malaysia, no Malaysian consumer would have known the plaintiff products and it follows it has no goodwill here in Malaysia. This court does not accept the defendant's argument as the law does not require the existence of a physical store, signs or advertisements as a prerequisite of one's goodwill. On the contrary, this court accepts the plaintiff's evidence by way of receipts in exhs GD4 and GD5 which showed transactions in Malaysia involving the plaintiff's products within a span of nine years (2011–2020), and the use of the plaintiff's trademarks and its other marks in

Malaysia. This court concluded that the by the plaintiff had acquired goodwill and reputation in Malaysia in respect of its trademarks.

[34] It is this court finding that the plaintiff had established the defendant's conduct of falsely representing the plaintiff's trademarks and marks as the defendant's. The misrepresentation by the defendant is implied in its use of the plaintiff's trademarks and marks: *Syarikat Zamani Hj Tamin Sdn Bhd & Anor v Yong Sze Fun & Anor* [2006] 5 MLJ 262. The blatant use of the plaintiff's address on the defendant's infringing machete in itself tantamount to misrepresentation, as this led the public or consumer to believe the machetes offered by the defendant are of the plaintiff's: *Jasmine Food Corp Sdn Bhd v Leong Wai Choon & Anor* [2016] 11 MLJ 812.

[35] Having found that the defendant had committed the act of infringement, this court further concluded that the plaintiff had suffered damage, without the need to prove actual damage but suffice to show that it had suffered probable damage: *Yong Sze Fun & Anor (t/a Perindustrian Makanan & Minuman Layang-Layang) v Syarikat Zamani Hj Tamin Sdn Bhd & Anor* [2012] 1 MLJ 585, citing with approval *HP Bulmer Ltd and Showerings Ltd v J Bollinger SA and Champagne Lanson Pere Et Fils* [1978] RPC 79.

The law governing O 14 application

[36] Besides citing the trite principles governing an O 14 application as laid down by the Federal Court in its oft-cited decision of *Cempaka Finance Bhd v Ho Lai Ying (trading as KH Trading) & Anor* [2006] 2 MLJ 685; [2006] 3 CLJ 544, the plaintiff's counsel submitted that this court should be hasty in allowing the plaintiff's summary judgement application as it has presented a plain and obvious case where the plaintiff has provided an irrefutable evidence that it is the registered proprietor of the impugned DEKA trademark, see: High Court decisions in *Fabrique Ebel Societe Anonyme v Syarikat Perniagaan Tukang Jam City Port & Ors* [1988] 1 MLJ 188; [1989] 1 CLJ Rep 537, *Acushnet Company v Metro Gold Manufacturing Sdn Bhd* [2006] MLJU 412; [2006] 7 CLJ 557, and *Mutiara Rini Sdn Bhd v The Corum View Hotel Sdn Bhd (previously known as The Curve Hotel Sdn Bhd)* [2016] 7 MLJ 771.

[37] It is well established and already settled law that once an O 14 application is demonstrated to be correctly and properly filed, the burden shifts and thus rests on the other party who seeks to resist the application to raise a defence which shows a 'bona fide triable issue', in the sense of an issue which justifies and warrants the matter to be considered at the trial proper.

[38] This is entirely in keeping with the requirements of O 14 r 3 of the ROC 2012, which essentially means that unless the defendant satisfies the

court with respect to the claim, or part of a claim, to which the application relates that:

(a) there is an issue or question in dispute which ought to be tried; or

(b) there ought for some other reason to be a trial of that claim or part, this court may give such judgment for the plaintiff on that claim or part as may be just having regard to the nature of the remedy or relied claimed: *National Company for Foreign Trade v Kayu Raya Sdn Bhd* [1984] 2 MLJ 300; [1984] 1 CLJ Rep 283; [1984] 2 CLJ 220

[39] The proposition in *National Company For Foreign Trade* was reaffirmed and elaborated further in another judgment of the former Supreme Court in *Bank Negara Malaysia v Mohd Ismail & Ors* [1992] 1 MLJ 400; [1992] 2 CLJ Rep 186; [1992] 1 CLJ 653 where it was held that upon having satisfied that the O 14 applicant has fulfilled the preliminary requirements, the court should then turn its focus on the respondent to examine, through the affidavit evidence, that the respondent's defence has not only raised an issue, but also that the said issue is triable. The Supreme Court elucidated that the determination of whether an issue is or is not triable depends on the facts or the law arising from each case as disclosed in the affidavit evidence before the court. There is no necessity for a complete defence be shown. Instead, the defence need only show that there is a triable issue.

[40] Applying those authorities, I am satisfied that the plaintiff has established a prima facie case as I found that its statement of claim has been served on the defendant, the defendant has entered its appearance, and the affidavit in support of the application complied with the requirements of O 14 r 2 of the ROC 2012.

[41] The burden then shifted to the defendant to satisfy the court why judgment should not be given against it. At this point this court has to be satisfied on affidavit evidence that the defence has not merely raised an issue, but triable issue. How do I determine whether an issue raised by the defendant is or is not triable? The authorities that I had cited clearly instructed me to make such determination based on the facts or the law arising in this case as disclosed in the affidavit evidence before this court.

[42] Triable issues means issues raised by the defendant must be fit to be tried and does not include denial in a defence nor a mere bare assertion. This court shall look at the whole scenario, and having considered the evidence available, would finally ascertain whether the defendant has a real or bona fide defence: *Abercrombie & Fitch Co & Anor v Fashion Factory Outlet KL Sdn Bhd & Ors* [2008] 4 MLJ 127, *Renofac Builder (M) Sdn Bhd v Chase Perdana Berhad* [2000] MLJU 752.

[43] I was satisfied that the issues raised by the defendant based on its affidavit, and as I had enumerated briefly in the preceding paragraphs, comprised assertion, denial and dispute which lack in precision, inconsistent with undisputed contemporary documents, and is inherently improbable in itself.

[44] The issues raised by the defendant as enumerated in para 17 above do not fall squarely within the meaning of triable issues as explained in *Bank Negara Malaysia v Mohd Ismail & Ors*. I found the issues raised by the defendant are mere bare assertions not supported by any evidence. No single document had been adduced by the defendant in support of the averments in its affidavits: see *Chen Heng Ping & Ors v Intradagang Merchant Bankers (M) Bhd* [1995] 2 MLJ 363, *Jasmine Food Corp Sdn Bhd v Leong Wai Choon & Anor* [2016] 11 MLJ 812. I am satisfied that the defendant has not raised any issue which merits a trial. In fact, to quote Blackburn J in the celebrated case of *Gillette UK Limited And Anr v Edenwest Limited* [1994] RPC 279: 'nothing would be gained by allowing the matter to go to trial'.

CONCLUSION

[45] Having considered the evidence before me and the submissions of the counsels of both parties, and having satisfied that the plaintiff had fulfilled the applicable legal thresholds to proof trademark infringement and the tort of passing of, and that the plaintiff had also satisfied this court that it had fully complied with the laws and requirements governing an O 14 application, I am satisfied beyond doubt that it would be just for this court to make a final determination of the plaintiff's claims without having the benefit of hearing evidence from witnesses, including evidence and/or reports of expert witnesses, and access to documentary evidence at a full trial. I am satisfied that the plaintiff had, on the balance of probabilities, successfully proven its case and claims against the defendant.

[46] Based on the above considerations, I allowed the plaintiff's encl 43, except para 12 therein on pre-judgment interest. I had further ordered for the quantum for the aggravated and/or exemplary damages shall be quantified and determined at an inquiry.

Application allowed, with order for quantum of aggravated and/or exemplary damages to be quantified.

Reported by K Selvaraju